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VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
The Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia SC 29210

**Re: Application of Duke Energy Progress, LLC for Adjustments in Electric Rate
Schedules and Tariffs and Request for an Accounting Order
Docket 2018-318-E**

Dear Mrs. Boyd:

On April 10, 2019, Duke Energy Progress, LLC (“DEP” or “the Company”) and the South Carolina Office of Regulatory Staff (“ORS”) entered into a Stipulation in the above matter regarding an agreement to request the Prepaid Advantage Pilot Program in an independent proceeding outside of the above docket. This letter is to inform the Commission that DEP has had to unfortunately put the filing and implementation of the Prepaid Advantage Pilot for DEP customers on pause to allow for implementation work associated with the Company’s new customer information system (“CIS”) known as Customer Connect.

Since the discussion of Prepaid Advantage in DEP’s rate case, the Company’s legacy billing system has had to be essentially frozen to allow for CIS work. Making any additional material system changes in the legacy billing system, such as those required for Prepaid Advantage, would be unduly expensive and for a relatively short duration until the new CIS is implemented, and creates risk to the ongoing Customer Connect milestones. Duke Energy Carolinas, LLC is able to offer this program as work has already been completed in the existing CIS, but that option is no longer practicably available for DEP due to timing differences. The Company has looked at alternative approaches to offer Prepaid Advantage in the short term, but unfortunately, the Company has learned that implementing Prepaid Advantage for DEP outside the CIS replacement would impact the customer experience overall so negatively it would outweigh the benefit of the program. DEP has determined it should not offer the program at this time for the following reasons:

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1. Customers would need to be directed outside of Duke Energy payment channels to process payments and view bills, making interaction more difficult and time consuming for customers.
 - Duke Energy customer service representatives would not be able to locate the customer's account through the Duke Energy billing system.
 - Duke Energy would not be able to locate the customer's account through interaction on the Duke Energy website, social media or text messaging.
 - Third-party payment centers that accept Duke Energy customer account payments would not be able to locate the customer's account.
2. Customers would have to report outages through the external prepaid vendor's systems, not through normal Duke Energy outage channels.
 - Duke Energy customer service representatives would have to access the customer's external prepaid vendor account to report an outage.
 - Customers would not be able to report or receive outage updates via the mobile app, the Duke Energy website or text messages.
 - External prepaid vendor would need to utilize the existing Outage Common Entry service to post the outage.

The Company remains committed to making Prepaid Advantage available in its DEP SC service territory, and is building it into the functionality of its Customer Connect system. DEP plans to file an application for Prepaid Advantage in advance of the Customer Connect full implementation in 2022. In the meanwhile, the Company will continue to find and leverage options for customers to continue to have increased visibility and control over their usage and resulting bill, including a Smart Meter Usage app that the Company intends to file with this Commission in the coming weeks.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Heather Shirley Smith

cc: Parties of Record (via email)